[2nd November 1931

A.—(*a*) & (*b*) It will be several months before the complete retrenchment proposals of the Government can be formulated. Meanwhile in reply to question No. 345-A I have already laid before the House the Completest possible information of the progress so far made both by the Retrenchment Committee and by Government in the matter of retrenchment.

(*c*) The Government do not consider it necessary to introduce a revised budget.

Financial position of the Province as affected by the economic depression.

* 493 *Q.*—Mr. V. M. Ramaswami Mudaliyar: Will the hon. the Member for Finance be pleased to state—

(*a*) how and to what extent the financial position of the Presidency has been affected by the economic depression; and

(*b*) whether he intends to introduce any supplementary or additional estimates which would give the House an opportunity of expressing an opinion on the measures taken to counteract the deficit in the Budget?

A.—(*a*) A fall in revenue by about Rs. 132 lakhs is anticipated in the current year chiefly under Excise. It is not possible to say what portion of the fall is due solely to economic depression.

(*b*) It is not proposed to introduce any supplementary or additional estimates except to move demands for supplementary grants for specific items of expenditure for which the vote of the Council is necessary.

Mr. V. M. Ramaswami Mudaliyar:—"In view of the answer given by the hon. the Finance Member, may I know what is the procedure that is going to be adopted by the Retrenchment Committee? May I know whether the hon. Member proposes to place before the Retrenchment Committee only proposals for normal standard of expenditure which would be sufficiently covered by normal revenues so as to leave an opening balance, or a wider procedure is going to be followed?"

The hon. Mr. H. G. Stokes:—"A wider procedure will be followed."

Mr. Abdul Hameed Khan:—"May I know if the hon. the Finance Member will kindly give a little more information than is available from the communique that is placed before the House regarding retrenchment proposals?"

The hon. Mr. H. G. Stokes:—"I should be very happy to expand the communique if the hon. Member considers it necessary. I do not understand in what direction the hon. Member wants information."